

Supreme Court Summaries
Opinions filed June 16, 2016

Moline School District v. Quinn, 2016 IL 119704

Appellate citation: 2015 IL App (3d) 140535

JUSTICE KARMEIER delivered the judgment of the court, with opinion.
Chief Justice Garman and Justices Freeman, Thomas, Kilbride, and Burke
concurred in the judgment and opinion.
Justice Theis dissented, with opinion.

The Quad City International Airport consists of real estate and improvements thereon, owned by the Metropolitan Airport Authority of Rock Island County, one of a total of 20 airport authorities in Illinois. The Authority is not required to pay property taxes on what it owns, but, when it rents out its land or the improvements on it, the tenant or lessee is required to pay. Elliott Aviation, Inc., has operations at the airport and leases land and buildings from the Authority. Elliott is known as a “fixed base operator,” supplying various services to general aviation. For Elliott’s customers, it provides fuel, hangars, maintenance and repair, rest areas, and other facilities. Elliott has in the past been required to pay property taxes on its leasehold interests and improvements on real estate at the Quad City Airport.

Elliott sought to expand at this location, and the General Assembly passed a law creating a property tax exemption for leasehold interests in real estate owned by the Authority and used by fixed base operators at the airport. Elliott was the only qualifying entity.

The Moline School District faced losing \$150,000 per year in property taxes, on a permanent basis. The School District filed suit in the circuit court of Rock Island County, claiming that the legislation was unconstitutional, but it was not successful. It appealed to the appellate court, which reversed, finding the law to be invalid as special legislation, which is prohibited by the Illinois Constitution. In this decision, the Illinois Supreme Court agreed with the appellate court and affirmed it.

The Illinois Constitution states that there shall be “no special or local law when a general law is or can be made applicable.” It prohibits conferring a statutory benefit or privilege upon one person or group and excluding others that are similarly situated. There should be no arbitrary legislative classifications that discriminate in favor of a select group without a sound, reasonable basis. The supreme court said that this law presents a paradigm of an arbitrary legislative classification that is not founded on any substantial difference of situation or condition. It clearly discriminates in favor of a select group, as the appellate court correctly held, giving property tax relief only to “fixed base operators” at the Quad City Airport, where only one such operator, Elliott, is located. No other such “fixed base operators” at other airports in Illinois get similar treatment or even have an opportunity to do so. The law does not even require Elliott to use its tax savings to expand in Illinois, as opposed to at the other airports which it operates in other states.